

October 2020



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## Minnesota FSA Newsletter: October 2020

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### Take Care of Important FSA Business Before Deadlines

I hope harvest is going well for everyone. Considering the weather challenges we experienced over the last several years, it sure is nice to see Mother Nature cooperate. While I understand you are busy with harvest, following is some important program information that needs your attention.

#### **16 Days to Apply for WHIP+**

A deadline of October 30 has been set for farmers to apply for the WHIP+ disaster program. This program pays for weather-related losses in 2018 and 2019. The eligible weather events of significance to Minnesota are primarily flooding and excessive moisture. If you collected a crop insurance indemnity related to flooding or excessive in 2018 or 2019, or feel you experienced significant yield loss you should contact the county office to see if

Calvin Gellatly  
Brian Hartman  
Angela Hanson  
Glenn Schafer

**State Committee:**

Scott Winslow - Chair  
Kurt Blomgren  
Jim Kukowski  
Jay Nord  
Mike Yost

**To find contact information  
for your local office go  
to: [www.fsa.usda.gov/mn](http://www.fsa.usda.gov/mn)**

you are eligible. Additional information on the program can be found at [farmers.gov](http://farmers.gov) WHIP+ webpage.

On a separate note, the Agency will soon announce the details for producers who experienced quality loss from 2018 and 2019 natural disaster events. There will be a separate signup period for producers reporting quality loss.

**CFAP2: December 11 Deadline**

FSA offices have been very busy accepting and processing applications for the second round of the Coronavirus Food Relief Program (CFAP2). This round of assistance is different from round 1 and includes several new eligible commodities, such as turkeys, broilers, eggs, alfalfa, sugarbeets and all classes of wheat. Additional information on the program can be found at <https://www.farmers.gov/cfap>

**Dairy Margin Coverage (DMC): December 11 deadline**

Minnesota dairy farmers now can enroll for 2021 DMC coverage. DMC continues to offer protection to dairy producers when the difference between the all milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer.

The current version of the DMC decision tool has been enhanced and was developed in partnership with the University of Minnesota and University of Wisconsin to help producers determine the appropriate level of coverage. <https://dairymarkets.org/dmc/>

**ARC/PLC**

FSA offices are currently in the process of processing ARC/PLC payments based on producer elections, and most payments will be delivered this month. If you elected PLC on corn, wheat or barley base acres, you will most likely be receiving a payment. ARC-CO payments will be triggered in certain counties for corn, soybeans and wheat, based on county yield data.

**Organic Certification Cost Share Program (OCCSP): October 31 deadline**

Organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program](#) (OCCSP). Applications for eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020, are due Oct. 31, 2020.

*Joe Martin, Minnesota State Executive Director*

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## Minnesota USDA Farm Service Agency to Host Coronavirus Food Assistance Program 2 Webinar on Oct. 22

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) in Minnesota is hosting a public webinar on October 22nd.

Producers and others involved in agriculture will have an opportunity to learn about the [Coronavirus Food Assistance Program 2](#) (CFAP 2). Coronavirus Food Assistance Program 2 payments will provide eligible producers with financial assistance that gives them the ability to absorb some of the increased marketing costs associated with the COVID-19 outbreak. The webinars will highlight program information and resources that are available for farmers, ranchers, and partners.

You can join the Minnesota FSA CFAP 2 webinar through the following link:

**Thursday, October 22, 12:00 p.m. (CDT) CFAP2 Webinar for Minnesota**

[Click HERE to join the October 22, 12 p.m. Minnesota Webinar](#)

or CALL 1-636-352-2946, conference ID: 998 213 356#

When you join the meeting, attendees will be taken to a page where you can choose to either join on the web or download the desktop app. If you already have the Teams app, the meeting will open there automatically. If you don't have a Teams account, you may join the meeting as a guest. The webinars will be recorded and will be publicly available following each session. To access the recording of the presentation, follow the link above after the presentation time and date has passed.

FSA is accepting applications for CFAP 2 through December 11, 2020. To find the latest information on CFAP 2, including forms and the contact information for your local Service Center, visit [farmers.gov/CFAP](https://farmers.gov/CFAP).

Persons with disabilities who require accommodations to participate in this meeting should contact Daniel Mahoney at (651) 602-7710, or Federal Relay Service at 1-800-877-8339, and [daniel.mahoney@usda.gov](mailto:daniel.mahoney@usda.gov) by October 19, 2020.

Some USDA Service Centers in Minnesota will begin allowing in-person office visits by appointment only. Our program delivery staff will be in the office and work with our producers in person, by phone, by email, or by using other online tools. All Service Center visitors wishing to conduct business should call ahead to confirm the office's status and make an appointment before visiting. Visitors will be pre-screened based on health concerns or recent travel and must adhere to social distancing guidelines. Visitors will be required to wear a face covering during their appointment. More information can be found at [farmers.gov/coronavirus](https://farmers.gov/coronavirus).

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## Enrollment Begins for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

*More than \$5 Billion in Payments Now Issuing to Producers Enrolled for 2019*

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The signup period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than \$5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

## **2021 Elections and Enrollment**

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC-Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contract) is required for each year of the program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current election for crops on the farm from the prior crop year.

For crop years 2022 and 2023, producers will have an opportunity to make new elections during those signups. Farm owners cannot enroll in either program unless they have a share interest in the farm.

## **2019 Crop Year ARC and PLC Payments**

FSA began processing payments last week for 2019 ARC-County (ARC-CO) and PLC on covered commodities that met payment triggers on farms enrolled for the 2019 crop year. In addition to the \$5 billion now in process, FSA anticipates it will issue additional payments by the end of November for 2019 commodities covered under ARC-Individual (ARC-IC) and additional commodities that trigger PLC and ARC-CO payments for which rates have not yet been published

Producers who had 2019 covered commodities enrolled in ARC-CO can visit the [ARC and PLC webpage](#) for payment rates applicable to their county and each covered commodity. For farms and covered commodities enrolled in 2019 PLC, the following crops met payment triggers: barley, canola, chickpeas (small and large), corn, dry peas, grain sorghum, lentils, peanuts, seed cotton and wheat.

Oats and soybeans did not meet 2019 PLC payment triggers.

2019 PLC payment rates for the following covered commodities have not been determined: crambe, flaxseed, long and medium grain rice, mustard seed, rapeseed, safflower, sesame seed, sunflower seed and temperate Japonica rice. Payment rates for these commodities will be announced at a later date.

## **Web-Based Decision Tools**

In partnership with USDA, the University of Illinois and Texas A&M University offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations. Tools include:

- [Gardner-farmdoc Payment Calculator](#), the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC.
- [ARC and PLC Decision Tool](#), the Texas A&M tool allows producers to analyze payment yield updates and expected payments for 2021. Producers who have used the tool in the past should see their username and much of their farm data already available in the system.

## More Information

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the [ARC and PLC webpage](#).

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at [farmers.gov/coronavirus](https://farmers.gov/coronavirus).

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit [farmers.gov/service-locator](https://farmers.gov/service-locator).

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## USDA Accepting Applications to Help Cover Costs for Organic Certification

USDA's Farm Service Agency (FSA) announced that organic producers and handlers can apply for federal funds to assist with the cost of receiving and maintaining organic certification through the [Organic Certification Cost Share Program](#) (OCCSP). Applications for eligible certification expenses paid between Oct. 1, 2019, and Sept. 30, 2020, are due Oct. 31, 2020.

OCCSP provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program. Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent. Eligible expenses for cost-share reimbursement include application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

### Changes in Reimbursement

Due to expected participation levels for fiscal year 2020, FSA revised the reimbursement amount through fiscal year 2023. Certified producers and handlers are now eligible to receive reimbursement for up to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope.

This change is due to the limited amount of funding available and will allow a larger number of certified organic operations to receive assistance. If additional funding is authorized later, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope.

The changes to the payment calculation and maximum payment amount are applicable to all certified organic operations, regardless of whether they apply through an FSA county office or a participating state agency. State agencies that are interested in overseeing reimbursements to producers and handlers in their states must establish new agreements with FSA for fiscal 2020.

### Opportunities for State Agencies

Today's announcement also includes the opportunity for state agencies to apply for grant agreements to administer the OCCSP program in fiscal 2020. State agencies that establish

agreements for fiscal 2020 may be able to extend their agreements and receive additional funds to administer the program in future years.

FSA has not yet determined whether an additional application period will be announced for later years for state agencies that choose not to participate in fiscal 2020. States that would like to administer OCCSP for future years are encouraged to establish an agreement for 2020 to ensure that they will be able to continue to participate.

FSA will accept applications from state agencies for fiscal year 2020 funding for cost-share assistance from Aug. 10, 2020 through Sept. 9, 2020.

State Agencies must submit the Application for Federal Assistance (Standard Form 424 and 424B) electronically via Grants.gov, the Federal grants website, at <http://www.grants.gov>.

### **More Information**

To learn more about organic certification cost share, please visit the [OCCSP webpage](#), view the [notice of funds availability on the Federal Register](#), or contact the [FSA county office](#) at your local USDA Service Center.

To learn more about USDA support for organic agriculture, visit [usda.gov/organic](https://usda.gov/organic).

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## **Disaster Set-Aside (DSA) Program for Farm Loan Borrowers**

Farm Service Agency (FSA) borrowers with farms located in designated primary or contiguous disaster areas who are unable to make their scheduled FSA loan payments should consider the Disaster Set-Aside (DSA) program.

DSA is available to producers who suffered losses as a result of a natural disaster and relieves immediate and temporary financial stress. FSA is authorized to consider setting aside the portion of a payment/s needed for the operation to continue on a viable scale.

Borrowers must have at least two years left on the term of their loan in order to qualify.

Borrowers have eight months from the date of the disaster designation to submit a complete application. The application must include a written request for DSA signed by all parties liable for the debt along with production records and financial history for the operating year in which the disaster occurred. FSA may request additional information from the borrower in order to determine eligibility.

All farm loans must be current or less than 90 days past due at the time the DSA application is complete. Borrowers may not set aside more than one installment on each loan.

The amount set-aside, including interest accrued on the principal portion of the set-aside, is due on or before the final due date of the loan.

For more information, contact your local USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).

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## **Join USDA in Following the #Harvest2020 Progress**

Harvest is underway in Minnesota and we hope this year brings favorable harvest conditions and high yields.

Farmers, we invite you to share your harvest progress by sending an email to [sharingoursuccesses@usda.gov](mailto:sharingoursuccesses@usda.gov) with landscape-orientation photos or videos under 10 seconds,



a short description of your photo or video, your city and state, and your Twitter handle (if you have one).

In addition to harvest photos, you can send photos and videos of preparing for harvest as well as those that show any challenges along the way. This will be a way for you to show other farmers as well as Americans in general all of the hard work that goes into harvest on your farm.

You can follow along by checking back in periodically to see new harvest photos and videos. To view the #Harvest2020 progress, visit <https://arcg.is/1j9fqb0>.

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## FSA is Accepting CRP Continuous Enrollment Offers

The Farm Service Agency (FSA) is accepting offers for specific conservation practices under the [Conservation Reserve Program \(CRP\) Continuous Signup](#).

In exchange for a yearly rental payment, farmers enrolled in the program agree to remove environmentally sensitive land from agricultural production and to plant species that will improve environmental health and quality. The program's long-term goal is to re-establish valuable land cover to improve water quality, prevent soil erosion, and reduce loss of wildlife habitat. Contracts for land enrolled in CRP are 10-15 years in length.

Under continuous CRP signup, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers for continuous enrollment are not subject to competitive bidding during specific periods. Instead they are automatically accepted provided the land and producer meet certain eligibility requirements and the enrollment levels do not exceed the statutory cap.

For more information, including a list of acceptable practices, contact your local USDA Service Center or visit [fsa.usda.gov/crp](https://fsa.usda.gov/crp).

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## Cover Crop Guidelines

The Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS) and Risk Management Agency (RMA) worked together to develop consistent, simple and a flexible policy for cover crop practices.

Cover crops, such as grasses, legumes and forbs, can be planted: with no subsequent crop planted, before a subsequent crop, after prevented planting acreage, after a planted crop, or into a standing crop.

### Termination:

The cover crop termination guidelines provide the timeline for terminating cover crops, are based on zones and apply to non-irrigated cropland. To view the zones and additional guidelines visit [nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/](https://nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/crops/) and click "Cover Crop Termination Guidelines."

The cover crop may be terminated by natural causes, such as frost, or intentionally terminated through chemical application, crimping, rolling, tillage or cutting. A cover crop managed and terminated according to NRCS Cover Crop Termination Guidelines is **not** considered a crop for crop insurance purposes.

### Reporting:

The intended use of cover only will be used to report cover crops. This includes crops

that were terminated by tillage and reported with an intended use code of green manure. An FSA policy change will allow cover crops to be hayed and grazed. Program eligibility for the cover crop that is being hayed or grazed will be determined by each specific program.

If the crop reported as cover only is harvested for any use other than forage or grazing and is not terminated properly, then that crop will no longer be considered a cover crop.

Crops reported with an intended use of cover only will not count toward the total cropland on the farm. In these situations, a subsequent crop will be reported to account for all cropland on the farm.

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## Report Noninsured Crop Disaster Assistance Program (NAP) Losses

NAP provides financial assistance to you for crops that aren't eligible for crop insurance to protect against lower yields or crops unable to be planted due to natural disasters including freeze, hail, excessive moisture, excessive wind or hurricanes, flood, excessive heat and qualifying drought (includes native grass for grazing), among others.

To receive payment, you had to purchase NAP coverage for 2020 crops and file a notice of loss the earlier of 15 days of the occurrence of the disaster or when losses become apparent or 15 days of the final harvest date.

For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when a loss becomes apparent.

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available, including perennial grass forage and grazing crops, fruits, vegetables, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.

For more information on NAP, contact your local USDA Service Center or visit [fsa.usda.gov/nap](https://fsa.usda.gov/nap).

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## Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be successful. FSA staff will provide guidance and counsel from the loan application process through the borrower's graduation to commercial credit. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

If a farm loan borrower can't make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, contact your local USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).

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## USDA Offers Annual Installment Deferral Option for Farm Storage Facility Loan Borrowers

To assist Farm Storage Facility Loan (FSFL) borrowers experiencing financial hardship from the pandemic and other challenges in production agriculture, USDA's Farm Service Agency (FSA) is offering a one-time annual installment payment deferral option. No fees or prepayment penalties apply for borrowers who choose this FSFL loan flexibility option.

Eligible borrowers can request a one-time only annual installment payment deferral for loans having terms of three, five, seven or ten years. The installment deferral option is not available for 12-year term loans.

The FSFL installment payments will remain the same, except for the last year. The original loan interest rate and annual payment due date will remain the same. However, because the installment payment deferral is a one-year loan term extension, the final payment will be higher due to additional accrued interest.

Borrowers interested in exercising the one-time annual installment deferral option should contact FSA to make the request and to obtain, complete and sign required forms.

FSFLs provide low-interest financing for producers to store, handle and transport eligible commodities.

### More Information

In addition to offering flexibilities for FSFLs, FSA has also made other flexibilities to help producers impacted by the pandemic, including relaxing the loan-making process for farm operating and ownership loans and implementing the Disaster Set-Aside provision that enables an upcoming installment on a direct loan to be set aside for the year. More information on these flexibilities can be found at [farmers.gov/coronavirus](https://farmers.gov/coronavirus).

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone and using online tools. More information can be found at [farmers.gov/coronavirus](https://farmers.gov/coronavirus).

For more information, contact your local USDA Service Center. To locate your local FSA office, visit [farmers.gov/service-center-locator](https://farmers.gov/service-center-locator).

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## Obtaining Payments due to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned an FSA payment prior to his or her death, the following is the order of precedence for the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother

- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

For FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325 to claim the payment for themselves or an estate. The county office will verify that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the deceased participant, FSA will determine whether the person submitting the form has the legal authority to submit the form.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

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## Keeping Livestock Inventory Records

Livestock inventory records are necessary in the event of a natural disaster, so remember to keep them updated.

When disasters strike, the USDA Farm Service Agency (FSA) can help you if you've suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, you'll be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to your local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, you must submit a notice of loss to your local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

You should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts;

For more information on documentation requirements, contact your local USDA Service Center or visit [fsa.usda.gov](https://fsa.usda.gov).

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